B.C. Pavilion Corporation

2018/19 – 2020/21 SERVICE PLAN

February 2018

BRITISH COLUMBIA

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Board Chair Accountability Statement

The 2018/19 - 2020/21 B.C. Pavilion Corporation (PavCo) Service Plan was prepared under my direction in accordance with the *Budget Transparency and Accountability Act*. The plan is consistent with government's strategic priorities and fiscal plan. I am accountable for the contents of the plan, including what has been included in the plan and how it has been reported. I am responsible for the validity and reliability of the information included in the plan.

All significant assumptions, policy decisions, events and identified risks, as of February 2018 have been considered in preparing the plan. The performance measures presented are consistent with the *Budget Transparency and Accountability Act*, PavCo's mandate and goals, and focus on aspects critical to the organization's performance. The targets in this plan have been determined based on an assessment of PavCo's operating environment, forecast conditions, risk assessment and past performance.

Stuart McLaughlin
Board Chair

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Strategic Direction and Alignment with Government Priorities

B.C. Pavilion Corporation (PavCo) is aligned with the government's key priorities and will continue to meet its mandate of generating economic and community benefit for the people of British Columbia by focusing on initiatives to increase non-resident delegate and overall attendance at events, while balancing the need to prudently manage its public facilities – BC Place and the Vancouver Convention Centre.

As outlined in its 2018/19 Mandate Letter from the Minister of Tourism, Arts and Culture, PavCo will focus on four strategic priorities in the coming year:

- Continue to maximize private sector revenue for public facilities owned and managed by PavCo through implementation of the *5-year Attendance and Economic Benefit Target Plan*.
- Continue to support and promote community events and business opportunities that attract and benefit British Columbians through execution of the *PavCo Engagement Strategy*.
- Build on the environmental success of the Vancouver Convention Centre, continue to act as a global sustainability leader, and explore opportunity for environmental improvement in all facilities.
- Explore additional innovative options for revenue streams that align with PavCo's mandate and government priorities, while working collaboratively with First Nations and community partners.

PavCo is aligned with the government's key priority to build a strong, sustainable economy for British Columbia:

Government Priorities	B.C. Pavilion Corporation Aligns with These Priorities By:
Making life more affordable	• Managing PavCo's facilities and assets prudently. (Goal 1) • Identifying opportunities to optimize operating costs and become more efficient. (Objective 1.1)
Delivering the services people count on	• Providing exceptional customer service. (Goal 2) • Ensuring event planning and operations provide superior value to clients. (Objective 2.2) • Providing an exceptional service culture that ensures PavCo and its suppliers' staff provide seamless superior service delivery. (Objective 2.1)
A strong, sustainable economy	• Creating economic and community benefit by generating in excess of $450 million per year of economic benefit while minimizing its reliance on government funding. (Goal 1) • Executing sales and marketing initiatives through greater collaboration with partners and leveraging relationships with decision makers to attract events that will optimize economic benefit for B.C. (Objective 1.1)

Operating Environment

The Vancouver Convention Centre continues to actively pursue convention and event business from across British Columbia and around the world, attracting non-resident delegates and maximizing economic impact for the province. In a highly competitive marketplace with increasing hotel occupancy and accompanying rates, it is critical the Convention Centre targets high-yield business during periods with available occupancy. PavCo strives to ensure the optimum mix of business is booked to maximize revenue, while maintaining its mandate to generate economic and community benefit for the people of British Columbia.

Globally, competition to secure convention business remains intense as convention centre supply has outgrown demand, keeping the supply of meeting space choices high and applying pressure to the bidding process. Destination cities are offering rich incentives to attract convention business, requiring PavCo to develop new ways to provide added value to clients in an effort to remain competitive.

BC Place remains committed to working with its anchor tenant teams, the BC Lions and Vancouver Whitecaps, to support initiatives that build attendance and revenue as variability in attendance at these events impacts PavCo's financial results. On dates that are not booked by its anchor tenant teams, BC Place continues to maximize event opportunities.

The Economic Forecast Council (EFC) expects B.C.'s real GDP to grow by 2.5 per cent in 2018 and 2.2 per cent in 2019. Meanwhile for Canada, the EFC projects national real GDP growth of 2.2 per cent in 2018 and 1.8 per cent in 2019. As such, B.C.'s economic growth is expected to outperform Canada's in the coming years. Downside risks to B.C.'s economic outlook include US trade policy uncertainty and ongoing economic challenges in Asia and Europe.

Major changes in the forecasted economic growth numbers and uncertainties surrounding trade and travel policies in the United States (US) may impact the ability to attract US events and delegates; however the value of the Canadian dollar against the US dollar may present a value incentive for US-based customers. PavCo will monitor these trends and shift its marketing efforts appropriately.

Performance Plan

PavCo values the relationship it has with its responsible ministry, the Ministry of Tourism, Arts and Culture. PavCo regularly engages with the Ministry on strategic priorities and new opportunities and will continue to do so on future projects as required by the Minister to deliver on its mandate.

PavCo selected its goals to focus on the most significant areas of impact to its business and align with government's strategic direction. The objectives, strategies and performance measures used to evaluate progress on PavCo's strategic goals reflect the different types of business generated by each facility.

Goal 1: Create economic and community benefit while optimizing corporate profit

PavCo generates in excess of $450 million per year of economic benefit and provides significant community benefit for the people of British Columbia through the prudent management of its public facilities. The events held at PavCo's facilities support British Columbia's tourism and hospitality industries, as well as trade development. PavCo's clients and guests procure hotel rooms, local hospitality services and goods and services produced by B.C.-based businesses.

PavCo's facilities are two of the largest community gathering places in the province of British Columbia and host events such as global summit meetings and world-class sporting, cultural and entertainment events. In addition, the events and conventions held at BC Place and the Vancouver Convention Centre provide a platform for an important exchange of information and knowledge across industry sectors, including medicine, education, technology and science. These events also advance business development opportunities for residents of B.C.

Objective 1.1: Improved attendance and economic benefits to province

PavCo strives to maximize the positive economic impact it brings to the province each year and minimize its reliance on government funding. This is achieved by balancing competitiveness within the marketplace, while managing the ongoing costs of operating two world-class facilities. PavCo has updated a five-year plan, which outlines the specific measures that will be undertaken to achieve attendance and economic benefit targets from events hosted at BC Place and conferences and events hosted at the Vancouver Convention Centre.

Key Strategies:

- Execute sales and marketing initiatives, such as increased collaboration with partners and leveraging relationships with decision makers, to attract events that will optimize economic benefit for B.C.
- Pursue business development in international markets for long-term revenue growth and to generate economic benefit.
- Diversify markets to stabilize long-term business.
- Determine ways to reduce operating costs and improve efficiencies through a continual model of improvement throughout the organization.

Performance Measures		2016/17 Actual	2017/18 Forecast	2018/19 Target	2019/20 Target	2020/21 Target
Total Economic Impact						
1.1a	Economic impact at Vancouver Convention Centre from all spending by visitors from outside Metro Vancouver[1]	$368m	$277m	$333m	$300m	$300m
1.1b	Economic impact at BC Place from all spending	$128m	$130m	$100m	$100m	$100m
Economic impact from out-of-province (non-resident) attendance						
1.1c	Economic impact at Vancouver Convention Centre from spending by visitors from outside British Columbia[1]	$326m	$237m	$282m	$250m	$250m
1.1d	Economic impact at BC Place from spending by visitors from outside British Columbia[1]	$26m	$25m	$22m	$22m	$22m
1.1e	Delegate days to Vancouver Convention Centre by visitors from outside British Columbia[2]	535,800	395,000	458,000	425,000	425,000
1.1f	Delegate days for all visitors outside Metro Vancouver to Vancouver Convention Centre[2]	658,800	511,000	572,000	532,000	532,000
1.1g	Total attendance at BC Place events[3]	1,084,000	1,000,000	1,000,000	1,000,000	1,000,000
1.1h	Operating deficit target, before government sustaining contributions[4]	$13.097m	$22.064m	$16.638m	$16.777m	$1.693m

Data Source:

[1] Economic impact is calculated using the BC Stats model and is based on estimated expenditures by organizers and visitors at events in the facilities; subsequent spending in the province following the event; and the multiplier effect through the economy of such spending. Projections for 2017/18 and future years are based on calculated estimates by PavCo management. Metro Vancouver is a region within B.C. that encompasses Vancouver and surrounding communities.

[2] Delegate days for attendees at Vancouver Convention Centre for fiscal 2016/17 were actual days recorded in PavCo's event management system. Forecasted delegate days for fiscal 2017/18 and onward targets are based on confirmed and tentative bookings in the event management system.

[3] Attendance at BC Place is the total of announced attendance by show managers for attendance at their events.

[4] The corporate operating deficit before government contributions is the sum of: sales revenues, other revenues and deferred contributions, less total expenses. The corporate operating deficit for 2018/19 includes proceeds of a potential land sale. Operating (gains/losses) before proceeds of a potential land sale, interest, amortization, redevelopment, grants to third parties and contributions are: 2016/17 ($1.152m), 2017/18 ($2.811m), 2018/19 ($5.001m), 2019/20 ($5.496m) and 2020/21 ($5.432m).

Linking Performance Measures to Objectives:

PavCo contributes significantly to the growth of the tourism and hospitality industries, as many out-of-town patrons travel throughout British Columbia before and after attending events at its facilities.

1.1a – 1.1d The economic impact measurement is a standard indicator for understanding economic benefits for the province.

1.1e – 1.1f Delegate days – the number of attendees at conferences – is a useful measure in understanding attendance levels and contributes to the economic benefit for the province.

1.1g Total attendance at BC Place events contributes to the economic benefit for the province.

1.1h Meeting operating deficit targets, before government sustaining contributions, is an indication that PavCo is optimizing corporate profit.

Discussion:

PavCo continues to focus on improvements to its internal operating environment, concentrating efforts on streamlining operations, identifying further opportunities for revenue generation and cost savings at both the Vancouver Convention Centre and BC Place.

Vancouver Convention Centre

The Vancouver Convention Centre creates economic impact by attracting delegates and exhibitors to the Convention Centre from outside Metro Vancouver, with the largest contribution to overall economic impact from attendees who come from outside of British Columbia (non-resident delegates) to attend events that would not have been hosted in the province if the Convention Centre did not exist. A non-resident delegate day (NRDD) is a day when a non-British Columbian attended an event at the Convention Centre, and likely stayed at a local hotel and visited restaurants, retailers or other hospitality businesses. The majority of delegates have multiple delegate days per visit.

Non-resident delegates and exhibitors generate the highest economic returns for British Columbia. As verified through regular delegate surveying, the average non-resident delegate spends $1,434 (per visit) as a result of attending an event at the Vancouver Convention Centre, the majority of which is spent on accommodations, meals, retail and transportation.

Changes in projections from previously reported amounts reflect greater certainty around upcoming forecast periods. As projected periods get closer, greater reliance is placed on actual events booked and less so on assumptions around pick-up events for the year.

Large convention bookings are often cyclical in nature and, as many larger groups confirm years in advance, fiscal 2017/18 has for several years been identified as a lower year for larger city-wide conventions. PavCo's mitigation strategy has been to actively book smaller groups that have a shorter booking window into this period and to target corporate, symposia, culture, entertainment and film as well as new trade and consumer shows.

BC Place Stadium

As the largest multipurpose facility of its kind in the region, BC Place provides a venue for sport, entertainment and cultural activity that would not otherwise take place in British Columbia. Revenues at BC Place are primarily driven by event attendance, advertising and sponsorship activity. Increased attendance drives higher sales of stadium services, primarily food and beverage. BC Place will continue to implement initiatives for attendance building through joint marketing programs with its primary tenants, and initiatives aimed at increasing per capita sales.

BC Place aims to manage the events schedule to achieve the best possible yield from key business sectors. Throughout the calendar year, a significant number of prime dates (specifically weekend dates) are either occupied or held by resident sports teams. To operate efficiently and maximize revenues from the limited date availability, sales efforts focus on high-margin event opportunities, including regional, national and international championship sporting events, as well as live

entertainment, special events and film and television business. The live entertainment market remains very cyclical in nature; revenue from these events is projected only when there is high certainty they will transpire.

With government's support, PavCo will continue to pursue high quality, national and international events.

PavCo expects to meet its 2017/18 targets as outlined in its previous Service Plan.

Projections for 2018/19 and future years have been prepared by PavCo management based on anticipated attendance and activity. These projections are derived from the events confirmed on BC Place's books, clients' attendance forecasts and a forecast of future events that are expected to occur.

There are no substantive changes to this goal or associated performance measures since PavCo's 2017/18 - 2019/20 Service Plan released September 2017. This goal supports government's priorities to build a strong and sustainable economy and to make life more affordable for British Columbians.

Goal 2: Provide exceptional customer service

PavCo continues to build its reputation as an organization capable of hosting world-class events. Exceptional client and guest satisfaction elevates PavCo's reputation among industry stakeholders, drives future attendance levels and attracts new clients. This ensures PavCo achieves its goal of maximizing economic benefit and corporate profit.

Objective 2.1: Deliver exceptional customer service to support growth

Key Strategies:

- Ensure event planning and operations provide superior value to clients.
- Provide an exceptional service culture that ensures PavCo and its suppliers' staff provide seamless, superior service delivery.

Performance Measures		2016/17 Actual	2017/18 Forecast	2018/19 Target	2019/20 Target	2020/21 Target
2.1a	Service Quality - Loyalty Index, Convention Centre[1]	9.2/10	9.2/10	9.2/10	9.2/10	9.2/10
2.1b	Client Satisfaction, BC Place[2]	4.2/5	4.1/5	4.1/5	4.1/5	4.1/5
2.1c	Guest Satisfaction, BC Place[3]	4.1/5	4.1/5	4.1/5	4.1/5	4.1/5

[1] Data Source: At the Vancouver Convention Centre, a Client Loyalty Index is used to measure service quality. This combines overall satisfaction with the client's likelihood to rebook and recommend the facility. The survey, which is sent to all clients, also includes questions on: true value for price, event planning process and event execution. Results are combined to determine an overall Loyalty Index that is measured as a score out of 10. The facility launched its new survey for fiscal 2016, which is now provided by Sentis Market Research. The new survey measures some different metrics from the previous service provider.

[2] Data Source: A comprehensive on-line Client Satisfaction Survey was developed in 2013 and is sent to all clients who hold events at BC Place. Data from the survey measures client experience from the time of booking up to the preparation

of the final billing for the event. Year-over-year variability is anticipated due to the limited sample sizes available for the Client Satisfaction Survey. Scores are from a total out of 5.

[3] Data Source: A guest satisfaction survey was initiated at BC Place in 2012/13. Guest satisfaction results are collected via touch-screen stations distributed throughout the Stadium. Results are collected during BC Lions games, Whitecaps FC matches and other public events. Data from the survey measures guest satisfaction in guest service, food and beverage and overall experience at the facility. Scores are from a total out of 5.

Linking Performance Measures to Objectives:

2.1a Meeting the Convention Centre's Client Loyalty Index target is an indication that the facility is providing exceptional customer service to support growth.

2.1b Meeting BC Place's Client Satisfaction survey targets is an indication that the facility is providing exceptional customer service to support growth.

2.1c Meeting BC Place's Guest Satisfaction survey targets is an indication that the facility is providing exceptional customer service to support growth.

Discussion:

Surveys are conducted with clients and guests to determine their satisfaction levels and expectations. Results and feedback from surveys are reviewed across departments to discuss and evaluate successes, and identify areas for improvement.

There are no substantive changes to this goal or associated performance measures since PavCo's 2017/18 - 2019/20 Service Plan released in September 2017. This support's government's priority to deliver services British Columbians can count on.

Goal 3: Be an employer of choice

PavCo recognizes the importance of attracting and retaining high quality employees, as employees play a vital role in customer service and guest experience. Engaged employees are also more committed to their work and the objectives of their employer.

Objective 3.1: Attract and retain a highly engaged workforce

The PavCo management team has developed a people strategy for the organization that is designed to position PavCo as an 'Employer of Choice'. The key strategies are outlined below.

Key Strategies:

- Improve the quality of services delivered to staff by maintaining industry-leading policies, practices and technology infrastructure.
- Design and implement succession planning, talent management, leadership development and performance management systems.

- Ensure the labour relations climate at BC Place remains respectful, fair and is always being refined.

Performance Measures		2016/17 Actual	2017/18 Forecast	2018/19 Target	2019/20 Target	2020/21 Target
3.1a	Retention of Event staff at BC Place[1]	68%	67%	72%	72%	72%
3.1b	Employee Engagement - Score on Employee Surveys, BC Place[2]	3.8/5	3.8/5	4.0/5	4.0/5	4.0/5
3.1c	Employee Engagement - Score on Employee Surveys, Convention Centre[3]	4.4/5	4.0/5	4.4/5	4.4/5	4.4/5

[1] Data Source: Retention is calculated based on required staffing levels for a twelve-month period against actual turnover for event staff.

[2] Data Source: Internal Employee Engagement Survey scores at BC Place reflect the results of an annual employee engagement survey of all full-time and part-time employees, including event staff. The target is to reach and maintain a positive Employee Engagement Index (EEI) of 4 out of 5. Departments have created individual responses and plans to improve the EEI to be measured again each fiscal year.

[3] Data Source: All full-time and part-time employees at the Vancouver Convention Centre are invited to participate in employee surveys that measure employee ratings on the following areas: communication and direction, management effectiveness, commitment to results, job satisfaction, professional workplace and work life balance, organizational satisfaction and commitment, retention and development, and familiarity with the Vancouver Convention Centre's service standards. The facility launched its new survey for fiscal 2017, which is now provided by Sentis Market Research. The new survey measures some different metrics from the previous service provider and will continue annually. For fiscal 2017, the Vancouver Convention Centre's performance on employee engagement decreased slightly over the previous year with an overall score of 4.0 out of 5.

Linking Performance Measures to Objectives:

3.1a – 1c Meeting staff retention and engagement rates is an indication of a highly engaged workforce.

Discussion:

Employee Retention

PavCo's people strategy defines the action the organization undertakes to be an 'Employer of Choice'.

PavCo facilities are managed and operated by hundreds of professionally trained and skilled employees. BC Place also employs approximately 600 event staff on a part-time/casual basis. It is critical to retain as many event staff as possible given the high cost of recruiting and training new staff.

As the stadium business is seasonal in nature, employee turnover trends higher than other industries. Additionally, retention of a casual workforce continues to be a challenge in the Greater Vancouver labour market. For example, the retention rate of security guards, which are required to be licensed on an annual basis, was 64%. As a result, this year's result for Retention of Event staff at BC Place was marginally lower than the previous year's results.

There are no published, industry-standard turnover rates for casual event staff to draw for large stadiums, except it is well understood that casual and seasonal retention rates are lower than other industry norms.

Employee Engagement

PavCo's employees are its greatest resource. Engaged employees are a crucial factor in achieving PavCo's strategic goals. By soliciting feedback and ensuring two-way communication, PavCo develops the talent within the organization and enhances its customer service. This goal links to government's priority to support a strong, stable economy.

The 2017/18 Employee Engagement score at the Convention Centre is 4.0/5 against a target of 4.4/5. This decline in the score over the previous fiscal year is primarily due to the addition of more casual employees when external services (contract staff) were restructured and brought in-house. The 2017/18 Employee Engagement score for BC Place is 3.8/5 compared to a target of 4.0/5. BC Place continues to report strong results for Employee Engagement among the event staffing group (4.1/5). PavCo will focus on initiatives to improve employee engagement across both facilities in 2018/19.

Financial Plan

Summary Financial Outlook

(Sm)	2016/17 Actual	2017/18 Forecast	2018/19 Budget	2019/20 Budget	2020/21 Budget
Total Revenue					
Sales	73.470	70.775	69.516	69.061	70.471
Other Revenues	0.164	1.790	3.020	3.010	18.010[1]
Amortization of Contributions					
Sustaining	9.099	9.199	9.286	9.335	9.335
Deferred	36.209	36.926	34.744	36.478	36.792
Total Revenue	**118.943**	**118.690**	**116.565**	**117.884**	**134.607**
Total Expenses					
Cost of Sales	36.065	35.115	34.298	33.553	34.118
Staff	17.769	19.469	20.766	21.254	21.727
Operating	14.278	14.218	15.244	15.368	15.591
General and Administration	3.769	3.989	4.065	4.230	4.278
Business Development	0.924	0.742	1.113	1.078	1.090
Fees	1.981	1.844	2.050	2.083	2.110
Redevelopment	0.451	0.466	0.250	0.000	0.000
Grants to Third Parties	0.000	8.500[2]	0.000	0.000	0.000
Loan Interest	4.757	4.672	4.588	4.496	4.400
Amortization	42.947	42.542	41.543	43.264	43.652
Total Expenses	**122.941**	**131.555**	**123.917**	**125.326**	**126.966**
Net Income (Deficit)	**-3.998**	**-12.865**	**-7.352**	**-7.442**	**7.642**
Total Debt	143.091	140.449	137.719	134.898	131.983
Retained Earnings	-9.819	-22.684	-30.036	-37.479	-29.837
Capital Expenditures	8.196	11.124	14.836	10.000	10.000

Notes:
(1) Amount includes $15m of net proceeds related to a potential land sale
(2) Amount relates to First Nations accommodation payments

Key Forecast Assumptions, Risks and Sensitivities

Revenue estimates are based on confirmed bookings and expected pick-up business. These estimates could change if there are world events during the period that impact business travel and tourism. Estimates will be monitored and adapted as conditions change.

Sensitivity Analysis

Fluctuations in the value of the Canadian dollar against other currencies could affect the amount of out-of-country business attracted to PavCo's facilities.

Hydro costs are a major component of facility operating costs. Fluctuating fuel and energy usage can significantly impact costs during the winter months.

Management's Perspective on the Financial Outlook

PavCo recognizes that global economic conditions are unstable. In response, PavCo is implementing new marketing strategies designed to leverage the outstanding reputations and operational capabilities of both facilities.

The Vancouver Convention Centre continues to receive international acclaim and awards for excellence. In 2017/18, the facility was awarded LEED Platinum certification for Operations and Maintenance for its West building, and was also ranked first in many venue attributes in STR's DestinationMAP (Meeting Assessment Program), a comprehensive study of meeting professionals and the meetings market in North America. Continued emphasis on - and awareness of - service excellence will be leveraged in marketing campaigns to attract international business that generates significant economic impact. Marketing efforts will also be taken to diversify the types of events held to optimize capacity.

BC Place has received accolades from industry and event attendees alike. In 2017, BC Place was again ranked among the "Top 100 Stadium Experiences" by online review site, Stadium Journey, and was rated 4.5/5 stars by guests on the travel review site, Trip Advisor.

BC Place is implementing aggressive marketing strategies to build on the success of hosting major international events, including the FIFA Women's World Cup, the Canada Sevens and FIFA World Cup Qualification matches. In addition to major sporting and entertainment events, there will be an increased focus on attracting special events that showcase the versatility of the Stadium.

PavCo maintains its focus on continuous improvement and internal efficiency to enhance profitability without diminishing service levels to its clients and guests.

PavCo continues to pursue development of surplus lands and increase advertising revenues to optimize corporate profits.

Appendix A: Hyperlinks to Additional Information

Corporate Governance

B.C. Pavilion Corporation (PavCo) is a Provincial Crown Corporation of the Ministry of Tourism, Arts and Culture. The Honourable Lisa Beare is the Minister responsible.
Board of Directors
Board Committees
PavCo Senior Management
BC Place Senior Management
Vancouver Convention Centre Senior Management
Board Governance Principles
Accountability Relationships

Board governance information on the corporation's website includes all information required for BC Public Sector Organizations.

Organizational Overview

B.C. Pavilion Corporation was formed under the *British Columbia Business Corporations Act*, and acts as an agent of the government under the *British Columbia Enterprise Corporation Act*. B.C. Pavilion Corporation registered 'PavCo' as a business name under the *Partnership Act* (British Columbia).

PavCo's shareholder is the Government of British Columbia.

PavCo owns and operates two world-class public facilities located in downtown Vancouver: BC Place Stadium and the Vancouver Convention Centre.

Vision
To be the global leader in outstanding venues and events.

Mission
To deliver inspiring and sustainable experiences for our clients, guests and our community, by hosting conventions, entertainment, sporting and related events that meet their highest expectations.

Economic Benefit
PavCo contributes significantly to the growth of the tourism and hospitality industries, as many out-of-town patrons travel throughout British Columbia before and after attending events at its facilities. The Vancouver Convention Centre is the provincial flagship for conventions and meetings. BC Place is the largest indoor gathering place in British Columbia, and provides support to industry as a venue for consumer shows and special events, as well as being a major sports and entertainment centre.

Both of PavCo's facilities have undergone extensive revitalization and now offer the most sophisticated functionality, technology and architecture in their respective fields.

Stakeholders

BC Place is proud to be the home of the Canadian Football League's (CFL) BC Lions Football Club, and Major League Soccer's (MLS) Vancouver Whitecaps FC.

PavCo stakeholders also include but are not limited to: Tourism Vancouver, as a contributing partner to the expanded Convention Centre; the city, businesses and associations representing the tourism and hospitality industry; clients leasing space for commercial activity and renting space for events; suppliers of goods and services to events; neighbours and the general public.

Services at PavCo's facilities are delivered by employees, official suppliers as well as suppliers of goods and services to events.

Appendix B: Subsidiaries and Operating Segments

Operating Segments – Vancouver Convention Centre and BC Place Stadium

Summary Financial Outlook Table for Vancouver Convention Centre

($m)	2016/17 Actual	2017/18 Forecast	2018/19 Budget	2019/20 Budget	2020/21 Budget
Total Revenue					
Sales	57.469	51.420	53.152	54.768	55.847
Other Revenues	0.085	0.109	0.000	0.000	0.000
Amortization of Contributions					
Sustaining	1.026	1.016	1.378	1.378	1.378
Deferred	18.491	18.874	18.990	19.900	19.900
Total Revenue	**77.071**	**71.418**	**73.520**	**76.045**	**77.125**
Total Expenses					
Cost of Sales	30.079	26.047	27.052	27.860	28.312
Staff	10.616	11.704	12.302	12.642	12.965
Operating	9.565	9.575	10.251	10.274	10.396
General and Administration	2.293	2.237	2.399	2.532	2.546
Business Development	0.560	0.514	0.726	0.683	0.689
Fees	0.815	0.756	0.873	0.886	0.893
Redevelopment	0.000	0.000	0.000	0.000	0.000
Grants to Third Parties	0.000	0.000	0.000	0.000	0.000
Loan Interest	0.000	0.000	0.000	0.000	0.000
Amortization	18.758	19.162	19.295	20.250	20.300
Total Expenses	**72.685**	**69.995**	**72.896**	**75.127**	**76.101**
Net Income (Deficit)	**4.385**	**1.423**	**0.623**	**0.918**	**1.024**
Capital Expenditures	**5.144**	**5.800**	**5.200**	**5.000**	**5.000**

Summary Financial Outlook Table for BC Place Stadium

($m)	2016/17 Actual	2017/18 Forecast	2018/19 Budget	2019/20 Budget	2020/21 Budget
Total Revenue					
Sales	16.001	19.356	16.364	14.293	14.624
Other Revenues	0.080	1.681	3.020	3.010	18.010[1]
Amortization of Contributions					
Sustaining	8.073	8.183	7.908	7.957	7.957
Deferred	17.718	18.053	15.754	16.578	16.892
Total Revenue	**41.872**	**47.272**	**43.046**	**41.838**	**57.483**
Total Expenses					
Cost of Sales	5.987	9.068	7.246	5.693	5.806
Staff	7.153	7.765	8.464	8.612	8.762
Operating	4.713	4.642	4.993	5.094	5.195
General and Administration	1.476	1.752	1.666	1.698	1.731
Business Development	0.364	0.228	0.387	0.394	0.401
Fees	1.166	1.088	1.177	1.197	1.217
Redevelopment	0.451	0.466	0.250	0.000	0.000
Grants to Third Parties	0.000	8.500[2]	0.000	0.000	0.000
Loan Interest	4.757	4.672	4.588	4.496	4.400
Amortization	24.189	23.379	22.249	23.014	23.352
Total Expenses	**50.256**	**61.560**	**51.021**	**50.198**	**50.865**
Net Income (Deficit)	**-8.383**	**-14.288**	**-7.975**	**-8.360**	**6.618**
Capital Expenditures	**3.052**	**5.324**	**9.636**	**5.000**	**5.000**

Notes:
(1) Amount includes $15m of net proceeds related to a potential land sale
(2) Amount relates to First Nations accommodation payments